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March 29, 2006

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 94275 Baton Rouge, Louisiana 70804-9275

RE: HEARING APPLICATION

Hosston Formation, Reservoir A

Davis Zone, Reservoir A Bodcaw Sand, Reservoir A

Cotton Valley Formation, Reservoir A

Gray Sand, Reservoir A

Tremont Field

Lincoln Parish, Louisiana Our File No. 450592.06

Dear Sir:

On behalf of CLAYTON WILLIAMS ENERGY, INC., application is hereby made for a public hearing to receive evidence concerning the issuance of an order pertaining to the following matters relating to the Hosston Formation, Davis Zone, Bodcaw Sand, Cotton Valley Formation, and Gray Sand, Reservoirs A, in the Tremont Field, Lincoln Parish, Louisiana.

- 1. To redefine the Hosston Formation, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, INSOFAR AND ONLY INSOFAR as HOSS RA SUH is concerned, as being that gas and condensate bearing interval encountered between the depths of 5640 feet and 8670 feet (electric log measurements) in the Pogo Producing Co. (Conquest) Norris No. 1 Well located in Section 15, Township 18 North, Range 1 West, Lincoln Parish, Louisiana;
- 2. To dissolve the drilling and production unit designated as Davis RA SUB, as shown on the plat attached hereto as Exhibit No. 2, which was created by Office of Conservation Order No. 594-A, effective June 1, 1971, for the Davis Zone of the Cotton Valley Formation, in the Tremont Field, Lincoln Parish, Louisiana;
- 3. To dissolve the drilling and production unit designated as BOD RA SUF, as shown on the plat attached hereto as Exhibit No. 2, which was created by Office of Conservation Order No. 594-B-4, effective January 13, 1988, for the Bodcaw Sand,

Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana;

- 4. Simultaneously with the dissolution of Davis RA SUB and BOD RA SUF, to create one (1) additional drilling and production unit (to be designated as CV RA SUC), as shown on the plat attached hereto as Exhibit No. 1, for the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana;
- 5. To create one (1) additional drilling and production unit (to be designated as GRAY RA SUD), as shown on the plat attached hereto as Exhibit No. 1, for the exploration for and production of gas and condensate from the Gray Sand, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana;
- 6. To force pool and integrate all separately owned tracts, mineral leases, and other property interests within the proposed units, with each tract sharing in unit production on a surface acreage basis of participation.
- 7. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Hosston Formation, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, was previously defined in Office of Conservation Order No. 594-C, effective July 15, 1975, but shall be redefined as set forth above.

The Davis Zone of the Cotton Valley Formation, in the Tremont Field, Lincoln Parish, Louisiana, is fully defined in Office of Conservation Order No. 594-A, effective June 1, 1971.

The Bodcaw Sand, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, is fully defined in Office of Conservation Order No. 594-B, effective March 18, 1975.

The Cotton Valley Formation, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana, is fully defined in Office of Conservation Order No. 594-L, effective February 1, 2006.

The Gray Sand, Reservoir A, in the Tremont Field, Lincoln Parish, Louisiana is fully defined in Office of Conservation Order No. 594-J, effective September 13, 2005.

Pertinent data concerning the intended application will be made available for inspection at the offices of Blanchard, Walker, O'Quin & Roberts, Chase Tower, 400 Texas Street, Shreveport, Louisiana 71163-1126. Any person wishing to inspect such data should call Wm. Timothy Allen III at (318) 221-6858 during normal business hours or write Mr. Allen at the above address, in order to arrange a date and time for such inspection. A copy of any such pertinent data can be obtained at the expense of the requesting party.

A list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties (as defined in the Rules of Procedure) is attached hereto, and a copy of this notice, with the annexed plats, is being sent to each of such persons. A reasonable effort has been made to determine

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that the enclosed list includes all of the persons to whom this notice must be sent under the Rules of Procedure.

By Pre-Application Notice dated March 14, 2006, applicant advised the Commissioner of Conservation, the District Manager and all Interested Owners, Represented Parties and Interested Parties of applicant's intention to apply for the hearing which is the subject of this application. Applicant received no request for a Pre-Application Conference, and accordingly, no conference will be held.

A check in the amount of \$3,775.00 made payable to the Commissioner of Conservation is enclosed herewith as the statutory fee for holding the requested hearing.

This application is being filed in duplicate, and a copy hereof is being sent to Mr. James C. Broussard, Shreveport District Manager of the Office of Conservation, to each Interested Owner, Represented Party and Interested Party whose name is shown on the attached list.

By:

Very truly yours,

BLANCHARD, WALKER, O'QUIN & ROBERTS

Wm. Timothy Allen III

Attorneys for Clayton Williams Energy, Inc.

WTAIII:kml Enclosures

cc:

Mr. James C. Broussard, Shreveport

District Manager (w/enclosures)

cc: Interested Owners, Represented Parties

and Interested Parties (w/copy of plats only)



